SEN): (a) This is the general policy of Government.

(b) No, Sir.

(c) Does not arise.

(d) In the SAIL Steel Plants, the following steps are being taken to improve production further:—

(i) Ensuring adeqaute availability of input of the right quality.

(ii) Augmenting and optimising captive power generation

(iii) Strict adherance to technological requirements and discipline.

(iv) Improved maintenance of the plants and equipments

(v) Modernisation and technological upgradation of plants in a phased manner.

Wholesale price index and level of inflation.

71. KUMARI ALIA:
SHRI VISHWASRAO RAMRAO PATIL:

Will the Minister of FINANCE be pleased to state:

(a) whether the wholesale price index has been increasing every month this year;

(b) if so, what is the index level registered each month from January onward so far;

(c) what is the rate of inflation recorded each month on a point to point basis;

(d) what are the factors responsible for rise in the level of inflation, and

(e) what measures have been taken to curb the rise in inflation rate and with what results?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) to (c) The requisite information is given in the attached statement. (*See below*)

(d) and (e) The factors responsible for the price rise are fiscal imbalances resulting in high increase in money supply and thus effective demand; supply and demand imbalances in sensitive commodities due to short fall in production and supply, the Gulf crisis necessitating imposition of gulf surcharge on domestic prices of petroleum products and disruption in transport and supply of goods due to disturbed law and order situation in recent months. Government has taken measures both on demand and supply side to keep prices under control On the demand side, the emphasis is on curbing the growth of liquidity through curbs on government expenditure; reduction in budget deficit and growth of money supply. On the supply side measures are being taken to improve the availability of essential commodities through larger allocations for the Public Distribution System and action aganst hoarders and blackmarketeers has also been intensified.

Statement

Movement of W.P.I. (1981-82=100)

Months	Index		Annual Inflation Rate
	Monthly	Average	
	1989	1990	1990
1	2	3	4
January	155·8	168 9	7·8
February	155·9	168·8	8 3

1	2	3	4
March	156·6	170 1	8·6
April	158·4	172·8	9·1
May	160·3	174·3	8·7
June	161·6	176·9	9·5
July	163·6	179 3	9·6
August	166·7	180·2	8·1
September	168·3	180 9	7·5
October	168·3	182·7	8·6
November	167 5	184·3	10·6

Committee constituted for Gulf exporters

72. SHRI KRISHAN LAL SHARMA: Will the Minister of COMMERCE be pleased to state·

(b) whether Government have constituted a committee for expeditiously exporters to Gulf countries;

(b) whether Government have constituted a committee for expeditiously resolving their problems; and

(c) to what extent the gulf exporters have been benefited thereby?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SHANTILAL PURUSHOTTAMDAS PATEL): (a) and (b) Yes, Sir.

(c) A statement is attached.

Statement

Decisions taken by the Empowered Committee, constituted to deal with the problems faced by the exporters to Gulf countries.

The Empowered Committee to deal with problems faced by the exporters to Gulf countries have taken following important decisions.—

(1) It has been decided to activise the Tramp Committee under the Chairmanship of Chairman Bombay Port Trust, to resolve the shipping problems of the exporters.

(2) As a purely temporary measure, all cases of extension in the period of packing credit beyond 180 days and upto 270 days intended for exports to Gulf countries will be considered by Reserve Bank at concessive rate of interest at 9.5 per cent p.a. on priority basis. Extension of period will be considered where the exporters have found alternative buyer/s even in countries other than in the Gulf Commercial banks have been advised by the Reserve Bank of India to refer such applications requesting extension to RBI expeditiously.

(3) Commercial banks are allowed to extend advances against procurement of basmati rice. Such advances meant for procurement for export purposes are exempted from the provisions of selective credit control. Commercial banks have been instructed to consider allowing advances for basmati rice for exports upto stock limit of reasonable level, say 5½ months of stock, taking into account the seasonality of the crop on one hand and the difficulties arising from the current situation in the Gulf region where this commodity is exported.